

KELLEY DRYE & WARREN LLP

A LIMITED LIABILITY PARTNERSHIP

1200 19<sup>TH</sup> STREET, N.W.

SUITE 500

WASHINGTON, D.C. 20036

(202) 955-9600

ORIGINAL

NEW YORK, NY

LOS ANGELES, CA

CHICAGO, IL

STAMFORD, CT

PARSIPPANY, NJ

BRUSSELS, BELGIUM

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MANILA, THE PHILIPPINES

MUMBAI, INDIA

TOKYO, JAPAN

FACSIMILE

(202) 955-9792

WRITER'S DIRECT LINE

(202) 955-9788

WRITER'S E-MAIL

tdaubert@kelleydrye.com

EX PARTE OR LATE FILED

February 4, 2000

RECEIVED  
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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

VIA HAND DELIVERY

Ms. Magalie R. Salas  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554

Re: Ex Parte Presentation in CC Docket No. 99-200

Dear Ms. Salas:

Pursuant to Section 1.1206 of the Commission's rules, 47 C.F.R. § 1.1206, Winstar Communications, Inc. ("Winstar") hereby gives notice that on February 3, 2000, Russell Merbeth, Daniel F. Gonos, Rose Breidenbaugh, Danny Adams and the undersigned met with Larry Strickling, Chief, Yog Varma, Deputy Bureau Chief, Diane Harmon, Deputy Chief, Jared Carlson, Attorney, and Aaron Goldberger, Attorney, all of the Common Carrier Bureau, to discuss number optimization and policies.

During the meeting, Winstar explained that, 1) a uniform, national numbering policy is crucial for competition; 2) numbering rationing has serious consequences; 3) many states have adopted harmful measures in an effort to preserve 7-digit dialing; 4) artificially maintaining 7-digit dialing is costly and inefficient; 5) number pooling is not a panacea; 6) number rationing is never acceptable; and 7) sequential number assignment is not a solution. The points that Winstar discussed are elaborated in the attached presentation, which Winstar distributed at the meeting.

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KELLEY DRYE & WARREN LLP

Ms. Magalie R. Salas  
February 4, 2000  
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In accordance with Section 1.1206(b), an original and one copy of this notice is being provided.

Sincerely,

*Lila Baheri*  
*For Todd Daubert*

Todd D. Daubert  
Counsel to  
Winstar Communications, Inc.

Enclosures

cc: FCC staff listed above

## CERTIFICATE OF SERVICE

I, Tracey Sorenson, do hereby certify that on this 4<sup>th</sup> day of February, 2000, a copy of the foregoing was served, by Courier, to the parties listed below:

Ms. Magalie R. Salas  
Secretary  
Federal Communications Commission  
445 12th Street, SW  
Washington, D.C. 20554


Mr. Yog Varma  
Deputy Bureau Chief  
Common Carrier Bureau  
Federal Communications Commission  
445 12th Street, SW  
Washington, D.C. 20554

Mr. Larry Strickling  
Chief  
Common Carrier Bureau  
Federal Communications Commission  
445 12th Street, SW  
Washington, D.C. 20554

Ms. Diane Harmon  
Deputy Chief  
Common Carrier Bureau  
Federal Communications Commission  
445 12th Street, SW  
Washington, D.C. 20554

Mr. Aaron Goldberger  
Attorney  
Common Carrier Bureau  
Federal Communications Commission  
445 12th Street, SW  
Washington, D.C. 20554

Mr. Jared Carlson  
Attorney  
Common Carrier Bureau  
Federal Communications Commission  
445 12th Street, SW  
Washington, D.C. 20554

  
\_\_\_\_\_  
Tracey Sorenson

# Winstar

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## **Number Optimization and Policies**

Russell Merbeth

Dan Gonos

Rose Breidenbaugh

Danny Adams

Todd Daubert

Federal Communications Commission  
February 3, 2000

# **The Importance of Numbering Optimization**

- ♦ **Numbers are the “fuel” of competition.**
- ♦ **The 1996 Act was designed to foster competition and eliminate State practices that keep CLECs from entering local markets.**
- ♦ **Number shortages caused by inconsistent allocation or rationing prevent CLECs from entering local markets, serving new consumers, or introducing new and innovative services.**

# **The Importance of Numbering Optimization (Continued)**

- ♦ **Numbering policies in many states, as well as inconsistency among state policies, are causing number shortages and harming competition.**
- ♦ **Unless the FCC acts now to stop number rationing and inconsistent allocation practices, competition will be stifled and the FCC's policies, and the 1996 Act itself, will be undermined.**
- ♦ **Without adequate numbering resources, the FCC's other local competition initiatives, including UNEs, Section 271, and Building Access Rules, will be rendered moot.**

# **A Uniform, National Numbering Policy is Crucial for Competition**

- ♦ **The FCC must ensure that numbering standards are not balkanized by various conflicting numbering policies adopted by individual states.**
- ♦ **The FCC must prevent states from taking any actions that prevent carriers from receiving adequate numbering resources.**
- ♦ **The FCC must enforce federal numbering policy, and immediately preempt conflicting state policies.**
- ♦ **The FCC must ensure that the costs for any particular numbering optimization measure do not outweigh the associated benefits.**
- ♦ **The FCC must reaffirm that number rationing is evidence of failed numbering administration, and take steps to prevent rationing, even on a temporary basis.**

# **Number Rationing Will Have Serious Consequences**

- ♦ **New carriers will be excluded from the market due to lack of numbers. This stifles competition that fosters lower prices and improved services.**
- ♦ **Customers may not be able to order new services, because existing carriers will not have any numbers to fill the orders.**
- ♦ **Existing carriers, especially recent entrants, may not introduce new and innovative types of services.**
- ♦ **Internet-based businesses that utilize numbers will not locate in the rationing area, stifling economic growth and innovation and the associated benefits to citizens.**



# **Many States Have Adopted Harmful Measures To Preserve 7-Digit Dialing**

- ♦ **Many State decisions are based not on the desire to optimize number utilization, but on the desire to maintain 7-digit dialing.**
- ♦ **Efforts to delay ten-digit dialing are futile and harmful.**
  - ♦ **Ten-digit dialing already exists on a *de facto* basis in many areas experiencing number exhaust (e.g. Chicago, Dallas, Detroit, New York).**
  - ♦ **Deployment of mandatory ten-digit dialing in other markets has not been controversial beyond a few initial and isolated complaints.**

# **Artificially Maintaining 7-Digit Dialing is Costly and Inefficient**

- ♦ **Seven-digit dialing, even on a permissive basis, causes too much customer confusion when overlay area codes are implemented.**
  - ♦ **Customers would have to dial ten digits for some neighboring locations and seven digits for others, even within the same building.**
  - ♦ **PBX systems with numbers from both area codes cannot support seven-digit dialing.**
  - ♦ **New software to cope with permissive seven-digit dialing where overlay area codes have been implemented would take years to develop and would be costly to deploy.**
  - ♦ **Some equipment would become prematurely obsolete.**

# **Artificially Maintaining 7-Digit Dialing is Costly and Inefficient**

**(Continued)**

- ♦ **Overlay area codes are more efficient than geographic splits.**
  - ♦ **Geographic splits that are too small (2000 square miles or less) are more confusing than overlays and cause artificial cultural divisions.**

# **Examples of States With Unacceptable Numbering Policies: Ohio**

- **The FCC granted Ohio temporary authority to impose special measures.**
- **In response, Ohio ordered that reporting be done at the 100 block level.**
- **Ohio requires applications for NXXs to be approved by the PUCO before they can be submitted to NANPA. This is unprecedented and not within the authority delegated.**
- **Ohio requires any request for non-sequential telephone number assignment to be submitted to the Ohio PUC for approval. This could delay major installations requiring consecutive blocks of numbers for months. The incumbents, on the other hand, can't be held to any such standard because their assignments are scattered randomly.**

# **Examples of States With Unacceptable Numbering Policies: California**

- ♦ **The FCC granted California temporary authority to impose special measures on an MSA by MSA basis.**
- ♦ **In response, California applied special measures throughout the state without regard to limits or delegated authority or industry objection.**
- ♦ **California has imposed an unrealistic time frame for number pooling. The time line is based on vendor representations that are now being modified.**
- ♦ **California has imposed number rationing in a manner that is well beyond the limits of the authority the Commission granted. The California policy actually requires Code exhaust before relief in direct violation of industry guidelines.**
- ♦ **California has ignored FCC directives and abused authority given by relying upon rationing and inaction for relief.**

# **Three Guiding Principles to Judge Numbering Policies**

- ♦ **What is the effect on consumers?**
- ♦ **What is the effect on competition?**
- ♦ **What is the cost if the number optimization measure fails to achieve the desired result?**

# **Number Pooling Is Not a Panacea**

- ♦ **Number pooling is expensive.**
- ♦ **Number pooling is untested in area codes not near exhaust.**
- ♦ **Number Pooling does not substantially extend the lives of area codes in advanced stages of exhaust, as 847 in Illinois and 212 in New York demonstrate.**
- ♦ **Number pooling might not be effective in any NPA.**
- ♦ **Number pooling does not apply to all industry segments.**
- ♦ **Number pooling does not apply to all technologies.**
- ♦ **The contamination level set by the industry is too low.**

# **Number Rationing Is Never Acceptable**

- ♦ **"Number rationing is not NPA relief."**
- ♦ **Number rationing blocks new carriers from entering the market.**
- ♦ **Number rationing prevents carriers from introducing new services.**
- ♦ **Number rationing results in higher prices and less innovation.**



# **Sequential Number Assignment Is Not A Solution**

- ♦ **Customer requests for specific numbers cannot be honored.**
- ♦ **Some types of CPE cannot support sequential number assignment.**
- ♦ **Incumbents cannot be held to the same standard as new entrants because they have not historically practiced sequential number assignment.**

# **Steps To Be Taken Immediately**

- ◆ **Adhere to the established March time frame for a final order.**
- ◆ **Ensure availability of adequate numbering resources so that the need for number rationing can be eliminated as soon as possible.**
- ◆ **Avoid delegations that compromise national numbering uniformity and the spirit of the 1996 act.**
- ◆ **Require States to prepare now for implementation of additional overlay area codes in the future in case number pooling trials do not delay numbering exhaust.**
- ◆ **Vigorously enforce current and future federal policies.**
- ◆ **Use the order to direct the industry to proceed expeditiously with Plans for NANP Expansion even while preserving the resource for as long as practical.**

# 310 Combined Forecast

	A	B	C	D	E	F	G	H	I	J	K	L	Q	R	S	T	U	V	W	X	AC	AD	AE	AF	AG	AH
1			*****	*****	*****	*****	2000	*****	*****	*****	*****	*****	*****	*****	*****	*****	*****	*****	*****	*****	*****					
2	310 Rate Centers	Forecast	1st Qtr	Jeopardy	2nd Qtr	Jeopardy	3rd Qtr	Jeopardy	4th Qtr	Jeopardy	Total 2000	# of Codes	1st Qtr	Jeopardy	2nd Qtr	Jeopardy	3rd Qtr	Jeopardy	01 Totals	# of Codes	18 Mo Total	Donations	New Code	Code+Blks=	# Assigned 00	# Assigned 01
3	AVALON		5	J	2	J	3	J	2	J	12	1	2	J	2	J	4	J	8	2	20	2	0	2	0	0
4	BEVERLY HILLS		11		11		22		23	J	67	1	23	J	20	J	17	J	60	7	127	61	0	61	0	0
5	CMTN CMTN		14		6		12	J	13	J	45	2	17	J	13	J	11	J	41	6	86	31	0	31	0	0
6	CMTN GRDN		11		9		19		15		54	0	18	J	17	J	14	J	49	4	103	69	0	69	0	0
7	CULVER CITY		11		7		12		14	J	44	1	18	J	15	J	14	J	47	6	91	40	0	40	0	0
8	EL SEGUNDO		15		15		19	J	23	J	72	3	25	J	22	J	16	J	63	9	135	46	0	46	0	0
9	HAWTHORNE		11		9		18	J	15	J	53	2	13	J	18	J	14	J	45	7	98	35	0	35	0	0
10	INGLEWOOD		9		7		13		17		46	0	12		16	J	11	J	39	3	85	59	0	59	0	0
11	LOMITA		9		4		11	J	10	J	34	3	9	J	12	J	7	J	28	5	62	13	0	13	0	0
12	MALIBU		8		5		6		6		25	0	5		5	J	7	J	17	1	42	34	0	34	0	0
13	REDONDO		14		7		17		16		54	0	17	J	22	J	23	J	62	6	116	62	0	62	0	0
14	SNMN MRVS		18		15		27		28	J	88	3	28	J	29	J	27	J	84	12	172	60	0	60	0	0
15	SNMN SNMN		35		21	J	33	J	38	J	127	8	44	J	43	J	39	J	126	21	253	49	0	49	0	0
16	SAN PEDRO		11		4		10		12		37	0	10	J	13	J	10	J	33	3	70	43	0	43	0	0
17	TORRANCE		14		7		18		12		51	0	16		13	J	15	J	44	3	95	68	0	68	0	0
18	W ANGELES		20		20		31	J	41	J	112	6	46	J	45	J	40	J	131	19	243	53	0	53	0	0
19		Total 2000 =	216		149		271		285		921	30	303		305		269		877	114	1798	725	0	725	0	0
20			1st Qtr		2nd Qtr		3rd Qtr		4th Qtr		Total 2000		1st Qtr		2nd Qtr		3rd Qtr		Total 2001		18 Mo	Total		Total		
21																					Block	Donations	Donation +			
22																					Total		Code open			
23																							(in Blks)			
24																										
25	Forecasted Blks 2000	=	921	=			Forecast Total		=	1798									Codes			Codes				
26	Total Donations (Blks)	=	725	=			18 Month	Donation Total	=	725									Needed	84		Opened				
27	Difference (Blks) 2000	=	-196	=				Difference total	=	1073									In 2001			to				
28	Codes needed in 00	=	30	=				Codes Needed	=	114												Date =	0			
29																										
30																										
31	310 Number Pooling began = 3-18-00																									
32	Prepared By --	Kevin Gatchell																								
33	V-925-363-8742	Pooling Administrator																								
34	F-925-363-8761																									
35	Email kevin.gatchell@neustar.com																									
36																										

